

INVITATION TO PURCHASE STATE LAND AT PUBLIC ORAL AUCTION FOR LAND BANKING SALE # 174

March 27, 2008

The Montana Department of Natural Resources and Conservation (DNRC), Trust Land Management Division, offers a parcel of land in Garfield County for sale at public oral auction. Information and bid package are available on the DNRC website at http://www.dnrc.mt.gov/trust/land_banking/default.asp . Contact Emily Cooper for more information at (406) 444-4165, or by email at ecooper@mt.gov or at DNRC Real Estate Management Bureau, PO Box 201601, Helena, MT 59620-1601.

PROPERTY DESCRIPTION

All, Section 36, Township 18 North, Range 38 East, consisting of approximately 640 acres. The property has no public access. Purchase of the property does not confer or grant right of access.

See MEPA document on the DNRC website for topographic map and physical description of the parcel.

<http://dnrc.mt.gov/TLMSPublic/LandBanking/Lbsale.aspx?SaleNumber=174>.

APPRAISED VALUE/MINIMUM OFFER

The minimum bid of each property has been established by the Land Board as determined by a current appraisal and will be used as the minimum acceptable bid under the terms and conditions provided herein.

The minimum bid is \$87,700

REAL PROPERTY TAXES

The State of Montana is exempt from paying real property taxes. The purchaser will be responsible for future real property taxes from the date of closing.

TERMS AND CONDITIONS OF SALE

AUCTION DATE, TIME, AND LOCATION

- March 27, 2008 10:00 a.m.
- Garfield County Courthouse, 352 Leavit Street, Jordan, Montana.

TERMS – Cash at closing. Twenty percent (20%) Bid Deposit paid by March 7, 2008 will be applied to the purchase price. The entire balance of the purchase price must be paid in full at the time of closing. DNRC will set a closing date that is mutually agreeable to the purchaser and DNRC. Closing must be within 30 days of final approval by the State Board of Land Commissioners.

OFFEROR QUALIFICATIONS -

- a. Persons must be at least 18 years of age in order to participate in the auction; and,
- b. Bids made by public employees must be in compliance with Standards of Conduct set forth in Title 2, Chapter 2, MCA.
- c. Pursuant to 77-1-113, MCA, State employees may be disqualified from participation in the auction.

SUBMITTING THE BID DEPOSIT - A bid deposit in the amount of \$17,540 is required in the form of a cashier's check or other certified funds drawn on any Montana bank, made payable to the Department of Natural Resources & Conservation. **Do Not Send a Personal Check.** Each Offer to Purchase and Bid Deposit Receipt must be made on the **OFFER TO PURCHASE AND BID DEPOSIT RECEIPT** form available on the DNRC website, and must be received by **Emily Cooper at DNRC, P.O. Box 201601, 1625 11th Ave., Helena, Montana 59620-1601, on or before 5:00 p.m., March 7, 2008** to be considered. Offer to Purchase and Bid Deposit Receipt forms that are not signed and dated will be disqualified. Offers submitted without sufficient deposit will be disqualified.

DEADLINE - **Offer to Purchase and Bid Deposit Receipt and bid deposit of \$17,540** must be received by DNRC by 5:00 p.m. on March 7, 2008 (Offer Closing Date). All parties submitting a deposit are responsible for ensuring that their deposit is received by the Offer Closing Date. Deposits received after the Offer Closing Date will not be considered.

AUCTION PARTICIPANTS - Only those individuals submitting an Offer to Purchase and Bid Deposit Receipt and a bid deposit of \$17,540 will be allowed to participate in the auction.

DISQUALIFICATION - Any of the following may, at DNRC's sole discretion, disqualify a participant at the auction, if the:

- a. Offer to Purchase and Bid Deposit Receipt is received without sufficient deposit amount.
- b. Offer to Purchase and Bid Deposit Receipt is not completed in full, signed and dated.
- c. Offer to Purchase and Bid Deposit Receipt is received after 5:00 p.m. on March 7, 2008.

SALE PROCEDURE - On the day of sale:

- a. Bidding will open at the minimum bid amount. Bid raises will only be accepted in increments of not less than \$100 until the property is sold to the highest bidder, who will be deemed to be the purchaser of the property.
- b. The lessee has the right to match the high bid, which then starts another round of bidding until the ultimate high bidder is determined.
- c. The bid deposit from the purchaser shall be applied toward the purchase price of the property. Deposits shall be returned to the unsuccessful bidders within five (5) business days of the auction.

- d. DNRC will set a closing date that is mutually agreeable to both parties provided that such date shall be within thirty (30) days of final approval of the Board of Land Commissioners (typically within 60 days of the auction). The balance of the purchase price of the property and any closing costs must be paid in full at closing in the form of a cashier's check or other certified funds drawn on a Montana bank, and made payable to DNRC.

CLOSING COSTS - The purchaser shall be responsible for paying all closing costs. Closing costs may include, but are not limited to, recording fees, advertising costs, water rights transfer fees, escrow fees, and administrative fees.

TITLE INSURANCE - DNRC does not warrant title to this property. Title shall be delivered at the time of closing by Patent or Grant Deed, as determined by DNRC. Title insurance, if desired, may be ordered and purchased by the purchaser.

CONVEYANCE - The parcel shall be conveyed by Patent or Grant Deed and shall be fully subject to all encumbrances, including but not limited to patents, easements, conditions, taxes, assessments, zoning regulations, rights-of-way, exceptions and restrictions of record, and reservations of oil, petroleum, gas, coal, ore, minerals, fissionable materials, geothermal resources, fossils or other rights (gaseous, liquid and solid) in and under the property. DNRC will send a copy of the deed to the County Clerk & Recorder for recordation. The recorded deed will be sent by the county to the purchaser.

PARCEL INSPECTION - Interested parties are strongly urged to do an on-site inspection of the parcel and buildings prior to submitting an "Offer to Purchase." It is also recommended that offerors inspect all public records pertaining to these properties.

WARRANTIES - Purchaser assumes all responsibility and liability for the property, buildings, and any contents. It is the purchaser's responsibility to examine the property and take such other steps as may be necessary to ascertain the exact character and location of the property and improvements. Purchaser assumes all responsibility and liability to comply with applicable law. In addition, DNRC makes no warranties, either express or implied, nor assumes or retains any liability whatsoever, regarding the social, economic, safety, human health, or environmental aspects of the property, to include, without limitation, the soil conditions, water drainage, physical access, environmental mitigation, natural or artificial hazards which may or may not exist, or the merchantability, suitability or profitability of the property for any use or purpose. **This property is offered "AS IS".**

CONDITIONS - DNRC reserves the right to postpone or cancel this offering, in whole or in part, to change the minimum price of the parcel, or to withdraw parcel from this sale at any time prior to the sale, without notice. DNRC shall not be liable for any expenses incurred by any parties participating in this sale as a result of, but not limited to, a change in the minimum price, or withdrawal of the parcel from sale. The right is reserved to waive technical defects in this brochure.